

APR 18 2005



**Magnum Hunter Resources, Inc.**

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*A NYSE Listed Company • "MHR"*

April 15, 2005

Department of the Interior  
Minerals Management Service  
381 Elden Street, Mail Stop 4024  
Herndon, Virginia 20170-4817

Attention: Rules Processing Team

**Re: REG-HQ-0016 – Cost Recovery**

Dear Members:

Magnum Hunter Production, Inc. thanks you for taking the time to consider comments from offshore oil and gas companies regarding the proposed changes to the fee structure.

The proposed fee structure seems unreasonable considering the MMS already receives monies from bonus payments with the issuing of leases, from yearly rentals and from the royalties generated on producing properties.

Our recommendation is for the MMS not to establish the new fee structure.

Best regards,

A handwritten signature in black ink, appearing to read 'Kathleen Garland'. The signature is fluid and cursive, with the first name 'Kathleen' being more prominent than the last name 'Garland'.

Kathleen Garland  
Senior Lease Analyst  
Magnum Hunter Production, Inc.